

Washington, DC – With many American families experiencing difficult financial times and unemployment reaching six percent for the first time in five years, Congressman Joe Sestak (PA-07) helped the House pass an economic stimulus package- H.R. 7110- by a 264-158 vote. With smart investments in infrastructure, energy and assistance for individuals in need of immediate assistance, the legislation kickstarts the economy in the short-term while providing long-term benefits. —

“In the midst of our current economic struggles – as I have said regarding the financial recovery proposal – we must have a thoughtful plan to assist the millions of American families struggling to make ends meet,” said Congressman Sestak. “This stimulus creates jobs for the more than 600,000 Americans who lost theirs this year while addressing our needs in other areas, including our infrastructure, as we have nearly 6,000 structurally deficient bridges in Pennsylvania alone, and our energy resources, as we must decrease our dependence on oil.”

Using this economic boost to support our transportation infrastructure in the long run, this legislation allocates \$12.8 billion for the nation’s aging highways and bridges to improve safety and reduce traffic congestion. Moreover, it includes \$3.6 billion to purchase buses and equipment needed to expand public transportation and to make improvements to facilities.

An additional \$1 billion meets growing demand for public transportation due to higher gas prices while reducing American gasoline consumption. Rising fuel costs have some transit agencies facing service reductions or fare increases. Meanwhile, the American Public Transportation Association (APTA) reported an 85 million rider increase in the first quarter of 2008 when compared to the same time period in 2007, and made clear that we can expect even greater demands to be placed on our mass transit systems if gas prices remain high.

“Our nation’s transportation infrastructure is in serious need of assistance,” said Congressman Sestak. “The National Surface Transportation Policy and Revenue Study Commission made clear in its report earlier this year that our aging surface transportation system cannot manage future needs and that a major increase in Federal funding is imperative. Investing in this area has the added benefit of being an especially effective way to create good-paying jobs to vitalize our economy.”

In addition, \$600 million is allocated for projects to improve safety and reduce delays at our

nation's airports, and \$500 million for Amtrak to make necessary upgrades to tracks and stations so that Amtrak can meet growing demand due to high gas prices. This year ridership has increased by 8 percent on the Northeast Corridor and 13 percent on other corridor routes.

Individual Assistance

As part of the bill's commitment to supporting Americans trying to provide for their families, it invests in job training for the increasing number of unemployed individuals, assigning \$500 million to help Americans find and prepare for good jobs including \$400 million for dislocated worker and youth employment activities and \$100 million to provide customized help to people receiving unemployment benefits. Unemployment claims have increased by more than 38 percent this year and 36 percent who use them exhaust their benefits before finding work.

In addition, this legislation provides an additional 7 weeks of extended benefits for workers who have exhausted regular unemployment compensation (20 total weeks). Workers in high unemployment states are eligible for an additional 13 weeks of benefits (33 total weeks). Extending unemployment benefits is a particularly crucial provision in Pennsylvania where 56,465 people will lose benefits between October and December. This type of measure is one of the quickest, most cost-effective forms of economic stimulus because workers who have lost their paychecks spend benefits quickly.

An increase in food stamps will provide another boost to the economy, generating \$190 million in increased economic activity in Pennsylvania alone by assisting nearly 1,200 individuals. The bill invests \$2.7 billion to address rising food costs for seniors, people with disabilities and very poor families with children. This year, on average, 27.8 million individuals, and 12.5 million households, received food stamps.

Furthermore, the bill requires a temporary increase in the Federal Medical Assistance Percentage (FMAP) for Medicaid health costs, with increases from one to four percent, at a time of increasing enrollment. These funds, which include \$426 million in aid to Pennsylvania, will prevent cuts to health insurance and health care services for low-income children and families, as well as generate business activities, jobs, wages and State sales tax revenues that States would not otherwise see.

Energy Development

With the knowledge that the renewable energy and efficiency industries generated 8.5 million jobs and nearly \$970 billion in revenue in the United States in 2006, this bill invests in important future technologies. These include: \$1 billion toward advanced battery technology loans to encourage the manufacture of advanced vehicle batteries and battery systems; \$500 million to accelerate the development of technologies that contribute to our domestic energy efficiency and renewable energy supply; and \$100 million to modernize the electric grid and improve our energy infrastructure.

Further Infrastructure Investment

This bill also includes:

- \$5 billion to invest in the nation's water resource infrastructure with improved flood protection, navigation and hydropower and to increase the efficiency of existing water infrastructure.
- \$3 billion to repair crumbling schools, provide students with first class technology, and to improve energy efficiency. One-third of public school buildings need extensive repair or total replacement and two-thirds have environmental problems unhealthy for children.
- \$7.5 billion for drinking water and sewer projects including \$6.5 billion for the Clean Water State Revolving Fund and \$1 billion for the Drinking Water State Revolving Fund to repair, rehabilitate and expand water systems, many of which are more than 50 years old and \$300 million for Bureau of Reclamation water projects, including \$98 million to provide clean, reliable drinking water to rural areas and \$126 million to ensure adequate water supply to western localities impacted by drought.
- \$1 billion for repair and construction projects related to public housing, including critical safety repairs. Every dollar of Capital Fund expenditures produces \$2.12 in economic return.

Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for

31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, Joe was the first Director of "Deep Blue," the Navy's anti-terrorism unit that established strategic and operations policies for the "Global War on Terrorism." He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, Joe is the highest-ranking former military officer ever elected to the Congress.

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